



CRM SaaS Pricing Strategies for International Expansion

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<p>Abstract:</p> <p>In this study, it is gathered relevant market information in order to facilitate Taimer's ambitious plans to expand their business beyond home markets. Furthermore, it is studied, how satisfied are the existing customers in Finland with the software and the company itself. In addition, a clear picture of the most relevant competitors in the Finnish, Nordic and global markets is provided.</p> <p>Pricing strategies and IT-outsourcing theories has been analyzed in order to get an overview of the relevant theories upon the subject. SaaS (Software as a Service) business models are considered in-depth with a comprehensive analysis of the differences between the SaaS model and traditional on-premise models.</p> <p>The empirical part of the study was executed by interviewing Taimer's existing customers in order to gather information about the customer satisfaction. A qualitative survey was used in this study, to explore the relevant competitors of Taimer in order to identify the market potential and effective pricing strategy for Taimer's internationalization project.</p> <p>Results revealed that Taimer does have very prominent potential beyond its home markets. Customers in Finland in general are satisfied with the product and the support they get from the company. There are some improvements to be made to gain even higher satisfaction. However, the competitor analysis presents that Taimer does already have a very strong position, considering that a vast amount of the features has significantly low prices. Therefore, it is suggested, that Taimer should be able to find success outside the Finnish market due to its value for money value proposition.</p> <p>The main development suggestion is to continue to work with the external interfaces of the accounting software and to try to openly look at other software vendors features to judge if there is something missing from Taimer or not. Also, one suggestion is to adopt longer-term approach, when it comes to execution of the strategic objectives.</p>	
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1. INTRODUCTION

In today's global and open business environment it seems very logical to reach a market position in the international market landscape. In many ways, we can define Finland as a small and distant market. On the other hand, Finland has been very active on different political and trade coalitions, which has brought Finland to the center of the European decisions making instances. It means, that SME-businesses in Finland reach their limits of growth rather soon, if they decide to stay only in the domestic market. Open borders in turn affects in a way, that it is easier than before to enter European and global markets, but competition is also fiercer than ever before.

When talking about global business and trade there is a tendency to consider only corporate level enterprises. However, in the global business environment the SME-businesses are representing the major proportion of the export. With growing Russian market, the European Union can nowadays be considered as a home market for the Finnish entrepreneurs. Russian market potential is significant, since from Finland should be more easier access to it than many other EU based SME-businesses (Josek Oy 2017).

There are many advantages for the SME-businesses, if they decide to reach for internationalization. If the domestic markets are in the downturn, it can offer a safety net for the company. Secondly, it can also offer a possibility to stay ahead in the competition. It is also a pathway to notable and valuable business brand recognition outside the Finnish markets. Still internationalization remains as a great challenge and there are many not so encouraging stories to tell in the field (Josek Oy 2017).

1.1 Case company

Commissioning part of the Master Thesis is Taimer Oy. Researcher first touch with the commissioner part of the study (Taimer Oy) did happen via Arcada. Arcada was approached by two companies with a research idea. Researcher personal background in the IT and ICT business added with the internationalization feature draw the attention immediately.

Key contact person and personal commissioner is the COO and Partner Fredi Palmgren. Taimer Oy is a Finnish software company whose expertise is to develop and distribute a fully cloud based Taimer SaaS (Software as a Service) CRM (Customer Relationship Management) and sales management software. According Taimer Oy software is “an all-in-one business management platform for small businesses”. Software has several sales management features including:

- *CRM, Sales Pipeline and Sales Management solution*
- *Project and Resource Management*
- *Project messenger and chat*
- *Time Tracker and Expense Management*
- *Automated and Fast Invoicing*
- *Reporting and File Management*
- *Responsive design on Desktop/Tablets and mobile apps for iOS and Android*

The development of the product started in 2010, when the program was built for the actual needs of Finnish entrepreneurs. In 2014 company took the next step by introducing many new features and completely new platform. Currently Taimer software is available on Nordic region and it is about to expand to global market.

Taimer software is intent to SME (Small and Medium-sized Enterprises) businesses which may found established CRM software (Oracle, Siebel, Salesforce.com) too heavy and expensive to take-over and use as regular basis. Taimer software has agile pricing model which allows a customer to have all the features of the software by 9-euros (The most popular Team version) monthly license fee per user without any starting costs, enabling a low touch sales strategy with large number of automated sales deals.

Taimer Business version sales are addressed to SME's with the objective to trigger sales without having to handle individual customers. Focusing on website lead conversion, using marketing automation, SEO / SEM to drive traffic to website and offering a fully automated signup and billing process.

The automated on-boarding process is supported with FAQ's, tutorial videos, webinars, in-app chat and online sessions.

1.2 Statement of the Problem

The research problem of the Thesis will be: Does Taimer have potential to expand its business outside Finland and how satisfied are their existent customers for Taimer's service and features. Based on the feedback from Taimer Oy, the hypothesis is that the market potential is very promising. There is still many un-covered questions before entering to new markets.

1.3 Background and Need

The strategy of Taimer Oy is to internationalize its SaaS business. To do so, there is a need for a successful entry to the small size markets nearby to Finland which will be serving as proof-of-concept for wider market entries. In the field of CRM and SaaS business there are multiple different service providers with hugely varied business models and offerings. Successful market entry into Nordics and or Baltics need a good visibility and understanding of competitor's business models and benefits as well as understanding customer's needs and expectations for CRM software in the chosen markets.

1.4 Purpose of the Study

Successful internationalization will need a clear picture of the most global and local competitors as well as the information how well Taimer already covers the customer's needs in the home market. Therefore, the purpose of the study is to facilitate Taimer by providing international market data for their internationalization project.

Research should include a clear view of:

- *How satisfied are the existing users for Taimer as a software and as a company?*
- *Competitor price point analysis; How competitive Taimer is against the closest competitors in the Nordics and beyond.*

1.5 Research Questions

- How satisfied are the existing users with Taimer as a software and as a company?
- Who are the most relevant competitors for Taimer in the international markets? Their strengths/weaknesses by competitor and in comparison.
- What does the competitor price point analysis reveal about the pricing models and how is Taimer positioned itself in the markets from the pricing perspective?

1.6 Structure of the Study

The study consists total of seven chapters excluding literature references and appendices. The content of the chapters are as follows:

Chapter 1 is the introduction chapter and explores the reasons for the internationalization. The commissioning part Taimer Oy is introduced as well as the purpose of the study and the main research questions.

Chapter 2 concentrates on the theory of the market information and research. It will answer for the question why market information is important for internationalization and introduces the marketing research process.

Chapter 3 explores the guidelines and strategies for effective pricing, which will be one key element for the successful market entry. Chapters focus is on the differences between cost-based pricing and value-based pricing.

Chapter 4 explores the topic of IT-outsourcing. What it is, how it works and what are the risks and success factors for successful software as a service outsourcing project.

Chapter 5 will discuss on the characteristics and specifics of the SaaS (Software as a Service), in addition discussing about the future trends of the SaaS business as Taimer software is based 100% on cloud business model.

Chapter 6 will cover the research methods and methodology of the research. It will also touch upon the research philosophy, approach and the design of the research. It will also discuss about the reliability and validity of the research.

Chapter 7 presents the results and key findings from the survey and the desk research conducted for the study.

Chapter 8 will focus on the discussions and conclusions made from the research as well as it delivers suggestions for the next stages for the Taimer Oy's internationalization project.

2. MARKET INFORMATION

2.1 Why Market Information? (Do you know the future?)

To be successful and create value for the customers in modern business, companies do need constantly information. Creation of valuable products and services starts with thorough market information. One must understand comprehensively customer's needs and wants. Even more there is a need for many different market information such as competitor, reseller information as well as information about the other actors in the marketplace (Armstrong & Kotler 2002 p. 155).

More and more businesses are seeing market information as a strategic competitive advantage and asset. Today it is rather easy to copy products, services, concepts, processes etc., but it is rather difficult to copy the marketing intelligence information and intellectual capital. If you know better what your customers need and want you're one step ahead versus your competitors, even though your value proposition is distinctively equal (Armstrong & Kotler 2002 p. 155).

With the explosion of information technology companies can nowadays generate great quantities of market information data. Still, there is very often need to generate the right kind of data. Instead of more information, there is generally need for better information. In many cases a company does already have rich information, but they fail to capitalize it wisely. There is thus, a need to develop the right marketing information systems to produce the right information on right time and people for better decisions (Kotler et al. 2008 p. 325).

2.2 Marketing Information System

Figure 1 indicates the model of marketing information system (MIS), which helps to understand the components and relationships of market information. According Principles of Marketing "It consists of people, equipment and procedures to gather, sort, analyze, evaluate and distribute needed, timely and accurate information to marketing decision makers". (Kotler et.al. 2008 p. 325)



Figure 1. Marketing Information System (Ahmed 2014).

Marketing information system serves primarily company's marketing decision makers and other managers, but it can also offer valuable information for key customers and/or suppliers. Good marketing information is a balance between what users would like to have and what is feasible to include. Sometimes company cannot provide all the needed information due to information is not available or the costs of obtaining the needed information (Armstrong & Kotler 2002 p. 157).

The needed information can be gather via three different channels: a) Internal data, b) marketing intelligence or c) marketing research (Armstrong & Kotler 2002 p. 157).

Internal Data. Many companies do hold extensive internal database of information gathered from data sources of company network. Decision makers can easily access to information which can come, e.g. from financial statements, sales records, production schedules, inventories etc. Internal databases can usually access more quickly and cheaply than external data, but they're having their problems as well. Information is usually collected for other purposes, so the data might be incomplete, incorrect or it needs to adapt for market information purpose first. It can also be outmoded quickly (Kotler et al. 2008 p. 327).

Marketing Intelligence. It can be defined as a systematic collection of publicly available information about competitors and the marketplace in general. The goal is to track the early signals of opportunities and threats. Techniques of competitor intelligence gathering can be range from benchmarking the competitor's products, Internet researching to

attending trade shows etc. Much information can be collected from own-employees, but also from key-customers, suppliers and resellers. Competitor's usually reveal intelligence information via their annual reports, publications, press releases and web pages. Company websites today may be the most efficient and quickest way to obtain the competitor intelligence. Companies do want to attract customers, partners etc. by revealing intelligence information on their websites (Kotler et al. 2008 pp. 328-9).

Marketing Research. There are still examples where plain competitor information and/or marketplace information is not enough. In the case of Taimer, e.g. there is a need to investigate the potential of their software in the international marketplace. Market intelligence will be important asset in the journey but it will not provide all the details needed. There is a need for marketing research (Kotler et al. 2008 p. 333).

According Principles of Marketing market research "is the systematic design, collection, analysis and reporting of data relevant to a specific marketing situation facing an organization". Marketing research can help companies, e.g. understand customer satisfaction and purchase behavior. It can help value the market potential and measure effective pricing policy, distribution channels and promotions. Large corporations have their own marketing research departments, but in their smaller counterparts it is more common to purchase the collected data from outside firms (Kotler et al. 2008 p. 333).

3. METHODOLOGY AND METHODS IN THE RESEARCH

In this chapter, the methodology and methods of the research will be presented. Chapter begins with the “outer layer” of the research process (see figure 2) by discussing about the philosophy and approach of the research design. In the following sections the research methods, strategy and research process are presented and discussed. The final part of the chapter, will focus on the data collection and analysis method of the data (Saunders et al. 2009 p. 108).

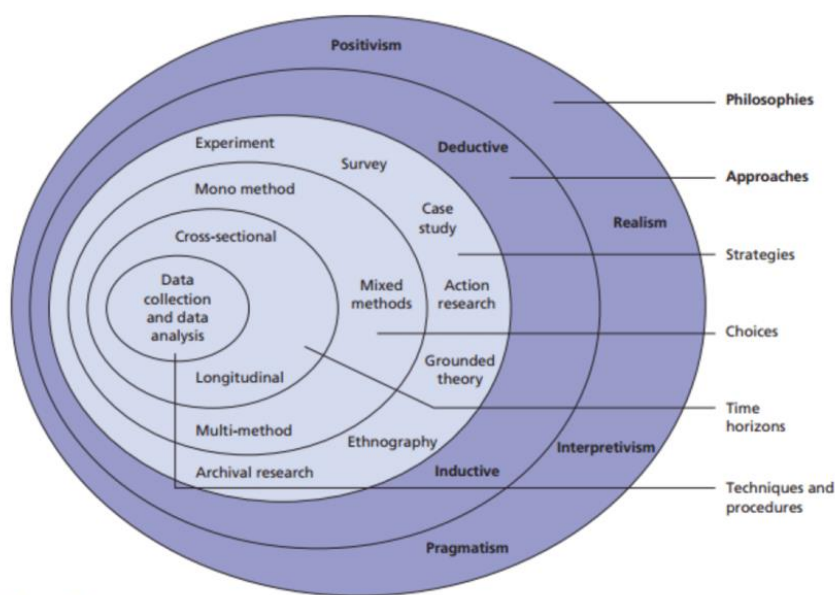


Figure 2. The Research Onion by Saunders (Saunders et al. 2009).

There are total of three different research questions to be answered for in this research. The questions are as follows:

- *What are the most relevant features for current Taimer software users in Finland?*
- *What are the strengths and weaknesses of the most relevant competitors of Taimer in the international markets?*
- *What is the most profitable price point for Taimer in the international markets?*

Purpose of the study is to investigate marketing information for Taimer Oy, in order to facilitate the Taimer's internationalization process. There is also qualitative part in the

study, which will try to point out strengths of the Taimer in the Finnish market, which then can be utilized in the international markets as well.

Therefore, the research is both exploratory and descriptive in its nature. It is gathering insight information and thus defining the research problem more accurately by qualitative methods. In addition, it is also defining market information and attitudes of the buyers toward CRM-software solutions.

3.1. Research Philosophy and Approach

According Saunders, research philosophy holds an idea of development and the nature of the knowledge. It is important due to fact, that it contains important assumptions about how the study is viewing the world.

Research philosophy in this study is pragmatism. The purpose of the study is to give understandable and pragmatic answers for Taimer Oy from the day one of the internationalization project. Research problem has been observed externally as objective as possible to make sure the results are valid. Pragmatism according to Saunders is, that the most important determinant of the research study is the research question itself. It is also suggested, that mixed methods both qualitative and quantitative are possible and even highly appropriate within one study. In a pragmatic study, the consequences and results are what matters the most (Saunders et al. 2009 pp. 108-9).

This study combines both research approaches inductive and deductive one. Inductive approach was used in the first step of the research, when qualitative part was made. Data was collected and theory developed during the data analysis. Deductive approach was used instead in the second (desk research) step of the study. The study was highly structured and was a collection of quantitative data. Characteristics of second part of the study were also researcher independence of what is being researched (Saunders et al. 2009 p. 127).

3.2. Research Design

As mentioned earlier the research can be divide into two different phases. Due to nature of the different phases the research can be define as a mixed-method research (see figure 3)

3) The phases of the research are:

1. *Exploratory qualitative survey*
2. *Descriptive desk research*

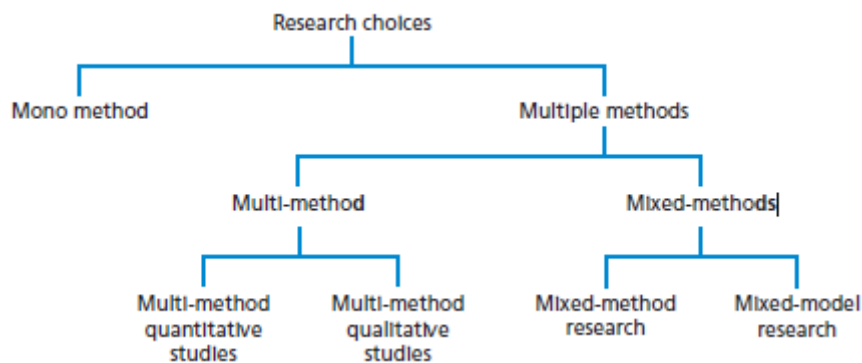


Figure 3. Research Choices by Saunders (Saunders 2009)

3.2.1 Explorative Qualitative Survey

First part of the research is to conduct an explorative qualitative survey, which is executed by face-to-face interviews. The object of the first part is to answer for the first research question of the Thesis. In another word, aim is to get insight in-depth information about the pros and cons of the software from existing customers. The hypothesis is that, the customers in Finnish market are fundamentally same type of customers with similar needs as customers in western world markets. In addition, the first part of the research is also giving valuable information about the competitors for the second part of the research.

Respondents are the current Finnish customers of the Taimer Oy. Sample of the survey is four respondents and the sampling technique used is purposive sampling. Respondents were chosen by Taimer Oy, based on the research objectives. The amount of the respondents was chosen by the researcher itself. Five respondents, was considered to cover sufficient were sample, that can be conduct within reasonable amount of time. Due to limited amount of potential respondent candidates and due to one refusal for the interview, the researcher decided to limit the amounts of respondents to four. Average time of conducting one face-to-face interview was about 30 minutes.

Structure of the interview did follow the pattern of the aimed quantitative survey, which later in the process needed entirely exclude from the study. However, the Face-to-face interview did provide opportunity to some extending questions and in turn some questions were skipped due to un-relevance of the questions for certain respondent. Key findings of the interview can be found from the chapter 7.1.

3.2.2. Descriptive Desk Research

The second part of the research was descriptive desk research. The objective of the second part was to answer for the second and third research questions. The research conducted by desk research method. Information about the relevant Taimer competitors was given by Taimer.

Aim of the second part is to have a holistic view of the competitor field. This includes to have a report, which indicates the price information, product feature comparisons and the subscription models. Also, it will give important information for the pricing perspective. Aim is to map five most relevant competitors for Taimer Oy in the international market landscape.

Summary of the desk research can be found from the chapter 7.2.

3.3. Reliability and Validity of the Research

According to Robson there are four main threats when researching reliability. The threats according to Robson are, a) subject or participant error, b) subject or participant bias, c) observer error and d) observer bias (see Saunders et al. 2009 p. 156).

In this research, the reliability threats were relevant in several different forms. The effects of the threats were minimized in the research, by avoiding early mornings and late afternoons when conducting the interviews, assembling research questionnaires together with the commissioner and keeping the qualitative interview highly structured.

In a similar way, Robson has also identified the main threats for the validity, these are a) history, b) testing, c) instrumentation, d) mortality and e) maturation (see Saunders et al. 2009 p. 157).

In this research, the qualitative survey respondent was encouraged to openly speak about the issues of the Taimer software and by doing so the respondents provided for Taimer Oy. This can be seen also as a benefit of the respondent, due to fact, that existing customer can expect to gain wanted developments in the software later.

Quantitative survey was conducted by the researcher, who doesn't have any link for the commissioning part and thus was able to work as objective as possible. A researcher could openly view Taimer's disadvantages and its competitor's advantages without a bias. The most likely error in quantitative survey of the study is the research error due to massive amount of data to process by researcher.

3.4. Data Collection

The data collection process started with a close co-operation with the Taimer. For the obvious reasons, the customers selected for the qualitative survey were given by Taimer. This can be a reliability issue due to the fact that customers may not represent the average sample of the Taimer customer base. On the other hand, it wouldn't benefit Taimer's purposes either to have a biased picture on their service.

The sample for the desk research was also given by Taimer. In the first phase, the competitors were validated by the purpose for market entry to Sweden alone. In the end, the final list of the competitors was formed by the overall competitors of Taimer,

whether they were Finnish, Nordic or even global competitors. This movement of the business strategy indicates well, how fast pace moving is the flow of the Taimer business. It is not the ideal situation from the research point of view, but data is still very useful.

3.4.1. Explorative Qualitative Survey

Initial target of the qualitative survey was to have at least five in-depth interviews of the Taimer's Finnish existent customers. Researcher assumption was to have a rather long list of names and contact information from Taimer, but instead this turned out to be challenging. In the end, there was a total of five companies to approach, which one turned down the interview proposal.

Even more, one of the named companies turned out to be a potential customer, rather than already existing one. However, due to the limit of the potential interviewees, the researcher decided to include the customer in order to bring some valuable insights from the prospect perspective as well. In general, it was somewhat easy to book the appointments with the customers and the general atmosphere in the meetings was more positive than negative. Every interview took around thirty minutes from start to end. Table 1 represents the facts of the qualitative interviews.

Table 1. Qualitative interviews

Company	Interviewee	Position	Date	Customer/Prospect	Industry
Barabra Oy	Kimmo Rostedt	CTO	26.6.2017	Prospect	Digital marketing
MicroMedia Oy	Leena Lagerblom	Sales Support Manager	27.6.2017	Customer	Marketing automation
Base Catering	Micke Mäläskä	Entrepreneur	5.7.2017	Customer	Catering
RDKL Helsinki Oy	Juha Jaskari	Development Director	22.8.2017	Customer	Marketing agency

Interview questions were created in co-operation with Taimer. Initially the questions were designated for the online web survey, but Taimer insists to use the same structure for the interviews as well and later the whole web survey was pulled down.

Interview consisted total of 22-23 questions divided into following subtitles.

- 4-5 background questions

- about the state of the business and the industry
- what are the most important software in your business
- what kind of role Taimer do have in your current business
- 5 CRM and sales management questions
 - What is the software used in this business area?
 - If it is Taimer, how well its perceived?
- 5 project management and time tracking software questions
 - What is the software used in this business area?
 - If it is Taimer, how well its perceived?
- 4 accounting software questions
 - What is the software used in this business area?
 - If it is Taimer, how well its perceived?
- 2 communication/collaboration questions
 - How is the project communication handled in your company?
- 4 summarizing questions
 - Feedback for Taimer and open discussion

The language of the survey was Finnish due the fact, that all interviewees were Finnish and it is the native language of the researcher as well. Beside of the convenience it also increases the reliability by lowering the possibility of misunderstanding errors. Research questions in Finnish language can be found from the Appendix 2.

3.4.2. Descriptive Desk Research

Desk research data collection process started with the five named competitors given by Taimer profoundly for the sake of market entry to Sweden, which was the initial plan of the study. Initial list included a few cloud-based software developers similar to Taimer's concept, but also global giant software conglomerates which have either global CRM business or even more CRM is only a tiny part of their business operations.

Taimer also set up a list of software features to look over from the competitors. This approach can be considered as a dilemma from the research point of view, as it may give a picture, that Taimer wanted to benchmark features Taimer software already has

versus its competitors. By this approach, it is easy to see own product in the limelight versus trying objectively compare industry standards to own and competitor's products.

The desk research was conducted by a profound website scanning. All the necessary information was predominantly found from the company websites, but there were however some challenges when comparing some features, as different companies use different naming conventions for the same feature. Also, it is notable that every software does not hold just a single product, but more over from three to even five different versions, thus increased the amount of conducted workload.

In the second phase of the desk research, there was a need to find more competitors to analyze. Brainstorming with Taimer produced a number of companies, which by the end didn't necessary have any links to Swedish market, but instead were to be considered as a general Taimer competitors. Total amount of companies was 15 and they are listed in the table 2. The compared features also changed a bit in the second phase, which caused some extra work. At the same, researcher received some help from Taimer in a form of styling and data collection forms.

Table 2. Desk research companies

Company	Founded	Headquarter	Website	Nr. Of versions
Taimer Oy	2014	Helsinki, Finland	www.taimer.com	4
Teamleader NV	2012	Ghent, Belgium	www.teamleader.eu	6
Lundalogik Ab	1990	Lund, Sweden	www.lundalogik.com	3
Evolumi	2013	Stockholm, Sweden	www.evolumi.com	3
Microsoft	1975	Redmond, USA	dynamics.microsoft.com	3
Salesforce	1999	San Francisco, USA	www.salesforce.com	4
Pipedrive	2010	Tallinn, Estonia, New York, USA	www.pipedrive.com	3
Scoro	2013	London, UK	www.scoro.com	3
Zoho Corporation	1996	Chennai, India	www.zoho.com/projects/	4
Base CRM	2009	Mountain View, USA	getbase.com	3
Taiga.io	2014	New York, USA	www.taiga.io	6
MeisterLabs	2006	Munich Germany, Vienna Austria	www.meistertask.com	3
Visma	1996	Oslo, Norway	severa.visma.fi	3
Zervant	2009	Espoo, Finland	www.zervant.com	5
Apptivo	2009	Fremont, USA	www.apptivo.com	3

3.4.3. Data Analysis

Competitor analysis proved to be very useful for Taimer, as they eagerly awaited the outcome of the data collection. But in order to find some key intakes and conclusions the data needed some form of analyses. Data collection already produced insights about the competitors and how they could be divided between the Taimer type of all-in-one solutions (include CRM, project management, accounting etc.) and single purpose tools only. It is much attempting for the company to use a software, which covers many needs instead just one. Therefore, researcher decided to calculate a price for a single feature to have.

Calculation is made by giving points for each dominant functionality from the four different categories, which are:

- CRM and sales management, max. 3 points
- Project management, max. 3 points
- Accounting, max. 3 points
- Support, max. 3 points

Points scored together with the annual user cost of the business edition or similar (the most popular version) is then presented in the number of feature per euro analysis, which is shown in the figure 6.

4. PRICING CONSIDERATION AND STRATEGIES

In order to understand how important pricing is for companies you only need to consider elements of marketing mix (Product, Place, Price and Promotion) and realize, that price is the only factor which is producing revenues. All the other elements are generating costs. Also, price is rather easy to adjust, whereas all the other elements such as product features, sales channels and even sales promotions take much more time. Even more, price communicates your intended value to the markets (Kotler & Keller 2006 p. 431).

In today's competitive marketing environment companies often argue, that they do not have pricing power. They cannot increase the price and in many occasions slashing the price seems to be the only solution. Still, it's far from the best one, as causing only slim margins and leading into very damaging price wars. Customer's instead will gladly pay the fair price for the product, if they have a sense of perceived real value. Fair price also indicates the value of the brand, which signals to customers, that premium price is justified. It sounds very simple, but in real life it is very challenging to find the price which will create a fair profit by created by paid customer value (Kotler et al. 2008 p. 636).

Pricing theories are relevant in Taimer's case, as in their project to expand their business, it is crucial to understand, what is the pricing level in international markets. It is important to recognize the elements of pricing model and take the advantage of the different pricing strategies to gain the edge in the competition.

4.1. Setting the Price

For the first time, a company enters a new geographical market, releases a new product, opens a new distribution channel the price needs to be set. First thing to do is to consider which quality and price position their product will belong. Some industries have rather many price points, e.g. car industry identifies eight different price points whereas ice cream brands can be divide into three different segments. That will give some hints to marketers when considering pricing policy of their own. The comprehensive price setting

procedure will consist six steps and is discussed in following six chapters (Kotler & Keller 2006 pp. 436-7).

4.1.1. Selecting the Pricing Objective

Five major objectives can be identified through pricing:

Survival. In a short-term, companies in their hard-times can consider pricing model which barely cover the costs in order stay in business (Kotler & Keller 2006 pp. 436-7).

Maximum Current Profit. In many occasions companies try to maximize the profits today. This is risky strategy, because it requires a firm knowledge of demand and cost functions. Focusing on current performance, a company might sacrifice the long-run profitability (Kotler & Keller 2006 pp. 436-7).

Maximum Market Share. Some companies believe, that high market share is the path to high profits. It can be true in some situation, but it cannot take as a ground rule. Some companies have gained high profits by lowering the price which has led to lower unit costs and further on lower profits in the long-run. This can be materialized only by strong market share (Kotler & Keller 2006 pp. 436-7).

Maximum Market Skimming. It has been used widely, e.g. in the consumer electronics, where there is sufficient number of buyers. The high initial price does not attract competitors to enter the market and high price communicates superior quality. The aim is to set the price of the new technology product high at the launch and then lower (skim) the price over the time (Kotler & Keller 2006 pp. 436-7).

Product-Quality Leadership. Many brands pursue to be a product-quality leader in the market by combining quality, luxury and premium prices with a price just high enough not to be out of the customers reach (Kotler & Keller 2006 pp. 437-8).

4.1.2. Determining Demand

Each price will lead to different demand in the market. Usually lower price means higher demand and vice versa. There can still be some exceptions, e.g, in luxury goods consumers may take the higher price as a signal of a quality product (Kotler & Keller 2006 p. 439).

First step to estimate the demand is to understand the concept of price sensitivity. In general, companies do want to attract less price sensitive customers because they can be charged higher price, than competitors but still get the business. Less price sensitive products are usually low-cost items, which are bought infrequently, but also products or services where the purchase price is only a small portion of the total cost of ownership (TCO). Internet has increased the opportunity for price-sensitive buyers. Online environment offers rather easy platform to compare prices and suppliers. Still some studies argue, that not every online buyer use time for comparing different alternatives. Instead according study conducted by McKinsey many internet customers visited only one distinctive webstore (Kotler and Keller 2006 p. 439).

Estimating the demand, the companies does usually have some methods. They can either use a) statistical analysis of past sales transactions, b) make price experiments (e.g. different price in different regions) or c) by surveys. When considering the demand, the competitors are of course playing a vital role. Also, if a company changes its strategy in other element of marketing-mix (Product, Place or Promotion) it will probably have its impact on the demand as well (Kotler & Keller 2006 p. 440).

Finally, it is also wise to be aware of the idea of price elasticity of demand. Some demand is inelastic, while other demand can be elastic by its nature. Inelastic demand remains rather same even though the price may change. Elastic demand otherwise can have huge impact even by small price increase or decrease. The demand is likely to be inelastic, if a) there are no substitutes in the market, b) price increase is difficult to notice, c) buyers do not easily change their buying behavior or d) buyers think the price is justified (Kotler & Keller 2006 p. 440).

4.1.3. Costs

If the demand is the roof of the pricing, the costs is the floor. It is obvious, that if the price of the product will not cover the costs of the producing, the business will not be sustainable. Costs can play an important role of the company pricing policy, e.g, by lowering costs can result greater sales and profits by low-cost leadership. In turn, if the company cost level is higher than its competitors it will need to either charge higher price or make less profit (Armstrong & Kotler 2002 p. 359).

Costs can be divided into fixed costs, which are not dependent on the sales or production volumes and variable costs, which are directly dependent on them. Together they are forming total costs, which should be any given situation the minimum level the price should be covering (Armstrong & Kotler 2002 p. 359).

4.1.4. Competitor Analyses

Competitor's products and pricing strategies does also need to take account, when considering pricing models. Company should investigate the products of its nearest competitors and benchmark the features of their products. If competitor's product offers less features, a company have possibility to charge a bit higher price (Kotler & Keller 2006 pp. 443-4). Other way around, a company may need to charge less than its nearest competitors, if its product is lacking some essential features. High-price high-margin strategy may attract competition, while low-price low-margin strategy may drive others out from the markets (Armstrong & Kotler 2002 p. 364).

4.1.5. Pricing Approaches

According to what is stated earlier, the price of the product will be somewhere between the spectrum, where the other end is price too low for profit and the other end price is too high for the demand. This is considered by the factors discussed previous chapters. To determine the final price, the companies are selecting the pricing approach suitable for

their objectives. Pricing approach includes three different factors: cost-based, value-based (buyer-based) or competition-based approach (Armstrong & Kotler 2002 p. 364).

Cost-Based Pricing. Can be divided more into three different sub-categories.

- *Cost-plus pricing* is the simplest methods of pricing., e.g, a reseller who is using cost-plus pricing will add a standard markup to the cost of the product. This however ignores the role of the demand and competitor's prices completely and thus, can be even dangerous for businesses to use. It is still used mostly due its simplicity.
- *Break-even pricing* is another cost-based pricing approach. By that, the company tries to determine the price which will break the even or even more generate profit (target profit pricing). Break-even chart is commonly used to find the balance between sales volumes and variable costs. However, in many situations the demand is not linear, e.g. increasing the price may decrease the demand and the lower volume does not break-even even without the higher price (Armstrong & Kotler 2002 pp. 366-7).

Value-Based Pricing has become more and more popular. Key to pricing here is the customer's perceiving value instead costs of the product. Figure 4 Cost-based versus Value-based pricing clarifies the difference clearly. The process starts by setting the price based on the customer's perceived value of the product. Target value is then the driving force for the decisions on product design, costs etc. Value pricing strategies have introduced less expensive versions of the branded products or redesigning of the existing brands (Armstrong & Kotler 2002 pp. 366-7).



Figure 4. Cost-based versus value-based pricing (Experts Mind n.d.)

To retain the pricing power in commodity products, where the price competition is high, the value-based pricing has introduced value-added pricing strategies. Rather than just cutting the prices companies have attached services to differentiate the offerings and justify the higher margins. Another type of value pricing in retail is everyday low pricing (EDLP), which reduces the need of running promotions. Running regular promotions can be very costly and erode the customer confidence towards the shelf prices (Armstrong & Kotler 2002 p. 367).

Competition-Based pricing. Popular form of Competition-Based pricing is going-rate pricing, which focuses heavily on competitor's pricing with less attention to demand or costs, e.g. the smaller company change the price after the market leader has changed its price, instead of changing the price when its own costs levels or demand changes. Going-rate is popular, e.g. because the demand elasticity is usually difficult to measure. Going-rate pricing is considered to represent the industry collective wisdom and it is also preventing from harmful price wars (Armstrong & Kotler 2002 pp. 370-1).

4.1.6. Adapting the Price

Usually, the companies do not set up a one single price, but instead a pricing strategy, which allows to adjust the price in different requirements, contracts, variations etc. Next four different price-adaptation strategies are presented (Kotler & Keller 2006 p. 450).

Price Discounts and Allowances. Many companies do give some form of discounts and allowances whether they are early payment allowances, volume discounts or off-season sales. It might be very tempting, but at the same they are also lowering the expected profit levels. Discounting can become a norm by the word of mouth. If everyone is going to have a discount, the company is also lowering the value perception of its offering. Major marketing research and consulting firms have found that most of the buyers are not that price sensitive. Customers with higher income are more willing to pay more for features, customer service, quality etc. It can be a mistake in a long run for a strong brand teach customers for discounting. Still discounting might be very useful tool in some circumstances, e.g. when customer agrees three-year contract or buys a truck-load of quantities (Kotler & Keller 2006 p. 452).

Promotional Pricing. Means, that prices are temporarily offered below the list price or even the cost level. They are very typical in supermarket and department store environment, but manufacturers are also known, e.g. from cash rebates via dealers directly to customers. It can also form such low-interest financing, longer warranties or free maintenance. In some industries, almost everything is sold via discounts. Promotional pricing does have the same drawbacks as discounting. It will lower the brand value in the eyes of the customers also creating “deal-prone” effect, where customers are waiting next promotion until they make their purchase. Still there is a place for promotions, but they cannot be permanent solution (Armstrong & Kotler 2002 p. 380).

Segmented Pricing. Companies will also sometimes adjust the basic price to allow different prices for different customers, locations or time. It can take many forms and is used, e.g. in museums, theatres, universities etc. To have effective segmented pricing strategy, the market itself must have different segments and the different segments should have different demands. There is also a risk, that cheaper price level customers start to resell the products or competitors find the higher price level customers too attractive. In the end, the most important thing in segmented pricing is, that different prices should reflect on different customer levels perceived value (Armstrong & Kotler 2002 p. 376).

5. INFORMATION TECHNOLOGY OUTSOURCING STRATEGIES

In recent years information technology (IT) outsourcing has become a global phenomenon. According to Statista global outsourcing markets has doubled in 15 years from 2010. IT (information technology) services represents roughly two thirds of the total outsourcing services, while business process outsourcing covers the rest (Statista 2018). IT-outsourcing is defined by Gartner “the use of external service providers to effectively deliver IT-enabled business process, application service and infrastructure solutions for business outcomes”.

When it comes to IT-outsourcing everything is negotiable and thus, practically anything involved with IT can be outsourced. According to Galang, the most common types of IT outsourcing services are:

- *Email management.* High-volume stream managing as well as protection against spam, adware and security attacks.
- *In-office support.* Routine performance check-ups and immediate support of hardware, software and network connection is available.
- *Managed hosting.* Access to shared server in order use it exclusively as it your own.
- *Data center outsourcing.* From data collection to data storage and backups as a service with maintenance, updates, space and trained staff.
- *User training.* Many IT companies outsource their experts to other companies to conduct trainings (Galang 2017).

Taimer is operating in a field of software as a service and thus it is important to understand the core functionalities of IT-outsourcing theories. Software as a Service is a modern way to outsource the IT, but it follows the same rules and laws as its predecessors.

5.1. Why Outsource?

It is obvious, that the core reason for considering outsourcing as a part of a company IT structure is cost reduction. The visibility and predictability of the IT costs and spending can be seen a prominent side benefit. In other case, outsourcing may free financial

capital, thus there isn't such need for larger investments. Outsourcing companies promise is to guarantee the availability of the systems and services, whereby companies customers to IT-outsourcing service providers can concentrate on their core business. IT- outsourcing companies make the investments to hardware and software as well as train and invest to skillful workforce, in order maintain the systems and service up and running without interruptions. That can be also seen as a major influencer toward outsourcing strategy (Alner 2001).

Still according to Gonzalez and others "despite the growing proneness to outsourcing, few organizations openly state that they have achieved success with outsourcing". It suggests that both the client firms and service providers are facing pressures to present positive outcomes from the outsourcing. According to Hamlen & Thuraishingham it is very important, that the outsourcing company providing the service is reliable enough in order create streamlining to business processes (See Bianchi & Junior 2015).

5.1. Risks involved in IT outsourcing

Khajeh-Hosseini and others argue, that while IT outsourcing brings many benefits for the development of the business the greatest risk of it, is the deterioration of the customer service and the falling service quality (see Bianchi & Junior 2015). There is also concerns about the great dependence to the service provider. Even though there usually is service level agreement (SLA) between provider and the customer, poor service quality may be masked under poorly drafted agreement. It might be difficult to define incorrect assumptions of performance or average response time for service tickets (Bianchi & Junior 2015).

Also, according to Tafti, there is a risk regarding third party replication. In these situations, the risks will be passed into more than one agent, e.g. there might be situations, where the service provider may need to find external professionals from other companies to meet the need of the customer company (see Bianchi & Junior 2015).

Finally, there is also a risk of lose the internal IT knowledge and know-how. This risk could materialize clearly, when there is a need to insource the IT management again (bring service inhouse back). This could happen, if the service provider does not meet

the conditions and there isn't anyone else in the market to provide corresponding service (Bianchi & Junior 2015).

5.2. IT outsourcing success factors

Based on Gonzalez et al. academic research, there can be identified total of eight different factors to determining the success in the IT outsourcing. The factors are:

- *A clear idea of the objectives sought through outsourcing.* In many situations organizations have been outsourced IT processes without fully understanding of the nature of process and the linkages to other parts of the business. Gonzalez and others argue, that it is advisable only to outsource the areas, which the company has a clear view and organization can draw a solid contract. They also suggest sign a contract for the length of the time that allows company to monitor its business requirements.
- *Provider's understanding of customers objectives.* Just as the customer should be aware of their own objectives, the service provider is equally important to be aware of its client's objectives. Supplier's with great interest toward their customers business will be in better position in order define mutually beneficial goals.
- *Provider's attention to client's specific problems.* Customer's want to be treated as a uniquely with specific technological and business needs, instead of just a name in a customer list
- *Choosing the right provider.* The most important single task from the client's point of view is to select the right service provider. According Gonzalez & others, companies should analyze carefully the stability, quality and reputation of the providers from the same, but also related sectors. Stability and quality are the most important features to look for, since technology and business conditions may change during the contract period. In order to analyze such factors service providers should be able to conduct a long-term business plan, as well as prove the technological resources.

- *Frequent client-provider contacts.* Outsourcing business is based on partnership-type relationships, which relies heavily on trust, comfort and confidence. Such relationships would not exist without regular open dialogue. Both parties must agree to communicate effectively. Also, it is important, that provider understands client's management style and culture, which has proven to be one of the key outsourcing success factor.
- *Good value for money relationship.* Financial terms are the major reason to consider outsourcing as a strategy, thus the provider should be able to offer the services in order fulfill all of the financial expectations from the client's point of view.
- *Top management's support and involvement.* Gonzalez and others argue strongly, that the involvement of top management has been proven to be crucial part of the good or bad performance of information technology decision. This applies equally within the decisions of outsourcing. Top management involvement should start from the evaluation of the outsourcing providers.
- *Proper contract structuring.* The contract is the vital part of the outsourcing success or failure. The contract is the materialization of the agreement. What has been agreed should always be on the paper. Weak contracting based on inadequate assessment will cause higher costs, but also might create major problems too.

5.3.1. Importance of audit in IT outsourcing

The purpose of the audits in IT outsourcing is to verify the agreed service level and quality in practice. IT outsourcing audits should focus on the evaluations of processes and risk management with special focus on how to achieve strategic objectives. One of its primarily functions is providing adjustments and recommendations, but also improve agreed services. Without outsourcing audit, a company cannot really provide reliable risk management analysis nor risk mitigation plan (Bianchi & Junior 2015).

5.3. Service Level Agreements (SLA)

In an outsourcing business, the service level agreements are critical. Both parties should know exactly what to expect from each other. Level of the agreement affects directly to the relationship of the parties. Agreements are generally in effect for several years and a lot can happen during that time. The SLA agreement should specify the services expected from outsourcer's half and what retain in the client's responsibility. SLAs should also, cover how the emergence situation are handled and whose authorization is needed to fix certain types of problems, e.g. which situations are covered by the client's staff and which by the provider's staff, will there be a 24/7 response time coverage or only during the usual business hours, etc. (Alner 2001).

SLA agreement should also take account of how special requests should be handled. Eg., if there is a need for customizing security software and implementing interfaces between different applications with the information. SLA should cover the information if these special requests are for additional charge or not and what is expected turnaround time for each kind of requests (Alner 2001).

6. SAAS (SOFTWARE AS A SERVICE)

Gartner defines SaaS as a “software that is owned, delivered and managed remotely by one or more providers. Ground rule is that the service provider delivers software based on one set of common code and data. Service is consumed in a one-to-many model by all contracted customers at any time on a pay-for-use basis or as a subscription based on use metrics.” Put in another word, instead of physical install and on-site maintenance SaaS is a way of delivering software over the internet. It can have a form of hosted, on-demand or web-based software and in its every form it is operated via SaaS service provider’s servers. Access to internet is mandatory for every user (Lee 2016).

Key characteristics of SaaS are as follows:

- *Network-based* access and management
- *Centrally managed* activities instead of on-site management enabling customers access to services via internet
- *One-to-Many* (*single SaaS provider supplies software services to multiple users*) (Apprenda Inc. 2017) application delivery model instead of one-to-one model
- *Centralized feature updates*. No need to download upgrades and/or patches (IT Knowledge Portal 2017)

Typically, SaaS service providers price the application per-user and/or per-business basis. The minimum number of users might be rather small, but comes with additional fees with extra users and/or storage. Thus, the initial revenues for the vendor are lower than in traditional software business. The upside is, that the revenue streams are recurring, so it can also be seen more predictable income. Some SaaS services are even free to use and can be funded via advertisement or upgrade fees for enhancements (IT Knowledge Portal 2017).

The idea of renting the software is nowhere new. In the 1990s remarkably same kind of concept was already in the markets offering surprisingly same features than SaaS, but only with the different label on it. In 1990s concept of SaaS was known as a different abbreviation: ASP (Application Service Provider). The main difference between SaaS

and ASP was scalability. ASP ran into difficulties by trying to offer everything to everybody, which was too expensive in the long-run. The fundamental idea behind the SaaS instead is offer one-size-fits-all solutions. The code behind the software in SaaS is same for everybody and it cannot customize. Therefore, SaaS business model is much more cost-effectively. Also, the model makes the upgrade process easier to perform (IT Knowledge Portal 2017).

6.1. SaaS software vs. Traditional Software

Next, the differences between SaaS software model and license based software are compared and discussed. Summary of the differences can be seen on figure 5. Red color stands for SaaS software and blue for traditional model.

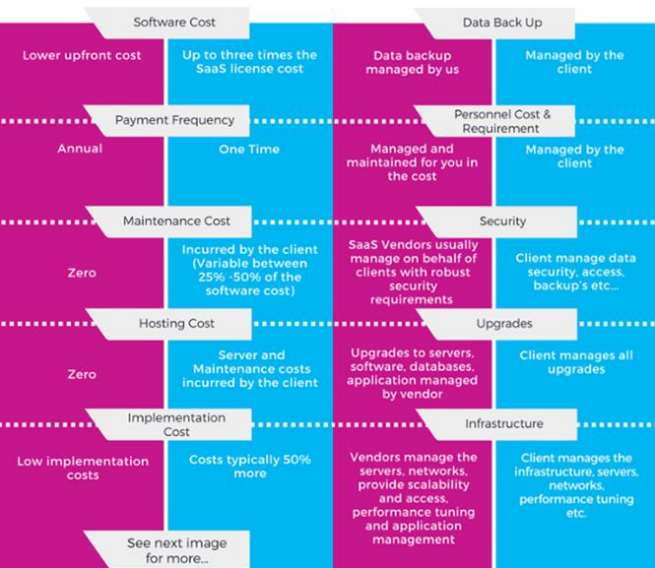


Figure 5. SaaS software vs. Traditional on-premise software (Gibbs 2015)

Software Costs

Costs of the license alone may be higher in the cloud-based system, which can be noticed below (Table 3), but the true benefit is the significantly lower start-up costs and total cost of ownership. The total cost (TCO) of the software is more than the software purchase price. TCO includes the price of implementation, personnel training, security, hosting etc., which is all taken account in the subscription price in the cloud-based licensing model and thus it can be higher than the plain purchase price of the on-prime

licensing model software. In addition, there is no need for start-up capital for SaaS software, but instead steady annual or monthly subscription fee, which is rather easy to budget. Consider the following example of price comparison between cloud-based license vs. on-premise license (Agarwal 2014).

Table 3. Cloud-based licensing vs. On-Premise licensing costs (Agarwal 2014)

	3 year Cloud-based solution for 5 users	3 year On-Premise solution for 5 users
1 month	100 € / month / user	10000 € one-time fee
1 year	$12 \times 5 \times 100 \text{ €} = 6000 \text{ €}$	maintenance fee / year 2000 € = 12000 €
3 years	$3 \times 6000 = 18000 \text{ €}$	$3 \times 2000 + 10000 = 16000 \text{ €}$

The costs between the two models are described in more detail in the below chapters.

Payment Frequency

SaaS. Typical payment frequencies on cloud-based software, are either monthly or annual subscription fee, as in Table 3 monthly cost are 100 € for five users. Usually, cloud companies are offering discounts for choosing the annual fee payment option, which reduces the amounts of the payments clearly and thus, lowers the total cost of the ownership.

Traditional. In general, on-premise options does usually require only a few payments, which is illustrated in table 3.

Maintenance Cost

SaaS. Typically, basic maintenance costs are included in SaaS service subscription fee, so there is no need for any additional maintenance fee in cloud-based services.

However, there might a premium support available for extra cost.

Traditional. Maintenance costs are invoiced annually for the upgrades and the support of the software. Maintenance costs are usually 16-25% of the license cost per year. Software vendors tend to allow discounts on the initial license fee, while charging more from the maintenance costs. This of course is a matter of negotiation between the counterparts. SaaS maintenance cost model is simpler, thus more suitable for bulk

products, while traditional model serves better for enterprise level highly tailored systems (Spencer 2014).

Hosting Costs

SaaS. Hardware hosting costs are also a part of the subscription fee, so usually there isn't any need for hardware investments on SaaS model. If there are decent PCs with web-browsers in use for the software users, it will usually be enough. This is effective option to many SME -companies, since they are lacking the IT knowledge and/or workforce.

Traditional. Hardware costs depends greatly by the software, size of the company and the availability of the server hardware, but nevertheless the costs of hardware belong to for the customer. Another option, is to use external hardware by leasing the data from the data center service provider. Whether there is a need for hardware investment at start or not, there will typically be need it for later, as there is always need for greater computing power (Gibbs 2015).

Implementation costs.

SaaS. Many SaaS vendors charge implementation costs for setting account up-and-running. The cost of implementation is fully dependent on size of the company and software to use for, e.g, CRM-software implementation will need data clean-up, data migration, data customization, documentation and data integration projects. This area of software implementation costs may not really differ compared to traditional software implementation (Klein 2017).

Traditional. Implementations of the on-premise ERP-solutions projects, e.g. usually requires external implementation consultants, which delivers the customization of the code for the unique vertical and provides the training for the staff. Implementation cost might be the dominant portion of the on-premise start-up costs (Lederman 2015).

Data Back-ups

SaaS. Software back-ups are usually managed by SaaS vendor. It is still very wise to negotiate this with the SaaS vendor and make sure, that the back-ups are in useful format when needed (Gibbs 2015).

Traditional. A decision is fully on customer, whether it is hardware costs or labor costs. Alternatively, they can also be outsourced to external party, which would increase the annual costs, but would be more flexible for companies without decent IT infrastructure.

Personnel cost and requirements.

SaaS. Cost of the labor is part of the subscription fee, so again there isn't usually any extra costs nor requirements in cloud-based services. Premium support may have higher subscription fee. This again is very suitable for small- and micro sized businesses.

Traditional. The updates, upgrades, monitoring, back-ups and disaster recovering are all examples of the tasks, which eventually are made by customers own IT department or paid external IT service provider. In any case there is a need of some sort qualified IT personnel, when considering on-premise software (Lederman 2015).

Security.

SaaS. This again is part of the annual subscription fee. However, this might be the issue for some companies to acquire cloud-services due to belief of security risks of cloud computing. This is partly by the fact that, in cloud computing a customer does not control the servers and thus, its own data. Recent studies have shown, that access to data is more important than the physical location of the data (Linthicum 2014).

Traditional. Customer is fully responsible for physical hardware as well as data security. There is a full control of the data and the security can be simple and cost-effective, but the responsibility still after all is fully on customer (Barry 2017).

Upgrades.

SaaS. Updates are part of subscription fee. Usually updates are made by small increments so they rarely are affecting to cloud-based software performance either (Gibbs 2015).

Traditional. Updates are part of the maintenance costs of on-premise software. However, it is the only cost of the software upgrade. The update work itself and potential hardware costs aren't included. It will also need a project management resources to plan and implement the updates regularly and in order process updates effectively.

Infrastructure

SaaS. The costs and responsibility of the properly functioning servers, storage and data networks is part of the subscription fee. There is no need to any major hardware investments here either. Customers responsibility is only to have proper user interface devices to use.

Traditional. Client and server infrastructure is solely on customer responsibility. Usually there is a need for start-up investment for hardware and/or network systems when acquiring larger on-premise software.

Summary SaaS vs. On-Premise software

As we can see cloud-based software business model will bundle all the possible costs into all-in-one solutions. The name itself describe it well (Software as a Service). Customer does not buy a license of the software, but moreover he/she buys the right to use the software.

Which model then is more cost-effective in the long run? Unfortunately, there isn't one size fits all answer. At least we can identify a clear trend when reviewing the data of the ERP-system deployments for small business. According Lederman, the costs are significantly lower on cloud-based systems both in a short and long run (Lederman 2015). The study suggests, that there has been a radical shift in deployment preference from on-premise solutions to SaaS software. In 2008 total of 88 percent software buyers preferred on-premise solutions, which has completely changed after that within six years. According to study acquired in 2014 almost the same amount (87 percent) of respondents were supporting cloud services already (Radley 2014).

Lederman argues, that the costs are the most important single factor for the radical change. The fact, that the updates are part of the subscription fee cannot be emphasized too much either. It guarantees that the customer has always the up-to-date version in use. The hidden cost of the on-premise software might materialize, when there has been made great effort to include personalized code modification. In that case, it might be just too heavy operation to implement the latest software edition into use. On the other hand, it allows the data security risks and/or, it might affect in a way, that the software just isn't working as effective as it has tended to be (Lederman 2015).

6.2. SaaS Software Trends

SaaS software business is rather immature business, which is on its way to be software industry norm. It is rapidly developing though and thus SaaS vendors should be on top of the latest industry evolutions. What are the most significant trends in the SaaS business today? In the below it is listed, what the leaders of the SaaS business think are the coming developments:

Importance of Channel distribution will increase. Channels and resellers are playing a major role in traditional software business, yet only 23% of SaaS revenue comes from partners. According to Tomasz Tunguz, there will be shift into more channel distribution in coming years (Beechler 2017).

Utilization of Account-Based Marketing (ABM). Instead of starting a broad number of prospects, the idea with the ABM is to start narrowing the number of target customers, even specific buyers within a company. Joe Chernov reveals, that creative mailers such 3D models and branded energy-drinks have had a massive effect on purchase behavior. Tim Kopp believes, that ABM is the future of marketing, while it is combining more and more sales and marketing (Beechler, 2017).

Security is the key. As there are more and more mobile and tablet applications, the mobile security risks are also increasing more and more. Thus, it is anticipated that several mobile security applications are coming into markets in coming years (Zahoor 2017).

SaaS Marketplaces. One function SaaS products are not effective enough anymore. Many SaaS companies in near future will develop their products from one single solution into a platform and simultaneously, they are entering from one business industry into multiple of industries (Zahoor 2017).

7. RESULTS

The following chapter presents the results from the qualitative survey as well as from the desk research. Qualitative interview results are broken down into subcategories by the different subthemes of the interview. Desk research results covers the short-written analysis of the each Taimer's competitor following a summarizing chart and graphical presentation of the conducted data.

7.1. Qualitative survey results

Three out of the four interviewed companies were using Taimer as their CRM - software. It is notable though, that based on answers, respondents may understand CRM as a larger concept than just plain sales management tool. According to MicroMedia's Lagerblom, Taimer was acquired due to its user-friendly and agile attributes.

MicroMedia is using Taimer as their CRM- as well as their sales pipeline management tool and Taimer illustrates well the overall sales pipeline process of MicroMedia.

Lagerblom explains that in the ideal world there is only one software, which communicates in-between the CRM, accounting and billing systems (Lagerblom 2017).

Lagerblom also comments, that the price has played significant role when choosing the software. Taimer's pricing model is described as price friendly (Lagerblom 2017). Base Catering's Mäläskä in turn adds, that his goal for using and implementing software is to reduce the amount of paper as much as possible (Mäläskä 2017). Barabra, which didn't have any customer relationship with Taimer at the time of the interview, names project management, communication and time tracking tool, which also operates their CRM - system for their most important business tools (Rostedt 2017).

7.1.1. CRM and Sales pipeline tools

As mentioned earlier three out of the four companies were using Taimer for their primary CRM -software platform. However, it was only MicroMedia, who had implemented also the sales pipeline tool and was actively already using it. According

Lagerblom, the CRM version, which MicroMedia was implement wasn't the final one, thus it had caused some challenges for the sales team to adapt. According to Lagerblom one of the core functionalities, what MicroMedia had been missing at the time of the interview, was the lack of real-time information. Also, sales team has had difficulties on the adapting the new process for data input structure. On the other hand, Lagerblom admits, that the processes of MicroMedia aren't been ideal and they needed to work on that aspect on. She hopes, that Taimer continues the development work of the reporting and analytics tools in the future (Lagerblom 2017).

RDKL Helsinki's Jaskari's attitude toward Taimer as a CRM -tool was much more critical, which is well exemplified by his comment "Taimer is more customer registry than customer relationship management tool". He continues, that he doesn't trust Taimer, but the blame is not for Taimer as a software, but instead the team which isn't using and enrolling the data correctly (Jaskari, 2017).

Software used for CRM and sales pipeline management by Barabra, are Visma Severa and Pipedrive. Barabra's Rostedt admits, that there are issues using Visma Severa, but the root cause is mainly, that the corporation has two different systems, which do not communicate within each other. Mobile features of the Visma Severa, according to Rostedt are expensive and a bit inflexible. Pipedrive in turn, is widely accepted, but the fact that it doesn't communicate with the Visma Severa is a clear downside (Rostedt 2017).

7.1.2. Project Management and Time Tracking tools

Two out of the four respondent companies were using Taimer for the project management and as a time tracking -tool. Base Catering, which is operating in the field of catering does not really have project base business, even though every event can be seen as a kind of project. Events though, are considered usually just as a single occurrence. Base Catering does see a lot of potential with the mobile features and will be utilizing them in the future (Mäläskä 2017).

MicroMedia had been using Taimer for time tracking partially, but had fully integrated the functionality yet. Because of this, they haven't managed to receive cost calculations

out of Taimer so far. This is about to change after summer 2017. Same goes with the use of the mobile features for MicroMedia. RDKL Helsinki does also use Taimer for project management and according to Jaskari, Taimer suits well for that purpose. He also thinks that the mobile app is valuable even though the team itself seems to use it rarely. This can be seen from the usage patterns of the time tracking function (Jaskari 2017).

Barabra is using Visma Severa for time tracking and both Trello and Basecamp for the project management. Trello has been in dominant use and it's considered to work nicely for most of the parts. Some disadvantages had been brought out by the fact that in the larger projects the information vanishes in the management dashboard and furthermore it is rather difficult to understand the estimated resource loads of the single tasks within the projects (Mäläskä 2017).

7.1.3. Accounting tools

For accounting matters, the respondent companies were using Taimer for invoicing, but two out of three users awaited interfaces to be opened between different accounting software. RDKL Helsinki Oy's Jaskari didn't have anything to complain about the invoicing or accounting process in general and was happy about the connection between Taimer and Outlook, which improved the ability to resource budgeting in weekly basis (Jaskari 2017).

All the four respondents had outsourced their financing to external service provider and thus based on the interviews the interface between the service provider software and Taimer, is a critical one in order to maximize the potential of Taimer. (Lagerblom 2017, Jaskari 2017, Mäläskä 2017, Rostedt 2017). Barabra was claiming, that there is too many software, which isn't communicating in-between and that is causing ineffectiveness in the processes (Rostedt 2017).

7.1.4. Communication and Collaboration tools and processes

MicroMedia appeared to be the only respondent to implement Taimer's communication functionalities for their internal collaboration, but they have faced fierce resistance for change for time being. They have no intentions to start using it for external communication. According to Jaskari, RDKL Helsinki has very different approach to project communication. He states that "chat is not the tool for the project approvals nor controls" (Jaskari 2017).

According to Rostedt, communication is pattern depending on the behavior of the humans than how the systems are built upon (Rostedt 2017).

7.1.5. Summary

All the respondents were asked to grade Taimer for a) their products and b) a company.

MicroMedia's Lagerblom valued Taimer's software as 7.5 and Taimer as a company 8.5. She awaits, that the 7.5 will arise to 8.5 during the fall of 2017, while the small fixes for the software has been done. She praised the support and availability of Taimer, but continued that they're still waiting some features promised already in spring 2017 (Lagerblom 2017).

Base Catering's Mäläskä has been really satisfied with Taimer and states, that "in my business Taimer works extremely well". Only complaint was about the collaboration between Taimer and their external accounting service provider software. Also, he was eager to have bank connection feature for Taimer, but it has been settled otherwise for now. Mäläskä gives Taimer grade between 8 and 9 for software and grade between 9 and 10 for the company in general (Mäläskä, 2017).

RDKL Helsinki's Jaskari, has not been satisfied for Taimer yet. He cannot understand how the interface between Taimer and their external accounting office isn't working after 18 months of request. He criticizes the usability and the deployment of the system. His grade for Taimer is 7. There is a lot of good about Taimer, but the overall value proposition of easy-to-use hasn't fully realized (Jaskari, 2017).

Rostedt from Barabra grades their current software mix just below 7, for the reasons that there are too many overlapping systems without common interfaces. This however will change after the merger of Barabra and Heku Oy into one. He continues, that the mobile features are important for them, but sometimes it seems like mobility has went already too far. According to Rostedt, “there is no need to, e.g. start projects on-the-move with mobile app” (Rostedt 2017).

In general, there was two positive experiences with small update needs, one more negative than positive experience and one neutral experience toward Taimer without firsthand user experience from Taimer yet. All three existing customers were awaiting some update or upgrade for the current product, which indicates, that there really isn’t one size fits all solution. The negative feedback for Taimer was mostly generated via lack of interfaces to accounting software, which seems to be highly business critical zone. The positive feedback Taimer received, was spawn from product support, regular updates and price-friendly cost structure.

7.2. Desk research results

The next chapter presents the findings of the Taimer competitor data collection following the analysis of the data. Data itself can be found from the appendice 1.

7.2.1. Competitor analysis

Based on the gathered data Taimer and its every competitor has been analyzed by its features, price, support, characteristics etc. Every software has its own pros and cons summary.

Taimer

- + price
- + diverse (CRM, project management, accounting, collaboration)
- + comprehensive support
- comparison was made based on the Taimer features vs. others. There is a great variety

of the features in the other software which isn't covered by this analysis (e.g. marketing automation).

Teamleader

- + all-in-one solution
- + diverse with different options to choose (CRM, project management, accounting, collaboration)
- paid support
- price

Lime CRM

- + adds value for Nordic business (industry specific CRMs)
- + extended support
- only light project management and missing wholly accounting elements
- easy version miss mobility function

Evolumi

- + price
- + if basic CRM is enough it is completely free, for as many users as needed
- only CRM (no project management nor accounting features)
- limited support

Microsoft Dynamics 365 Enterprise

- + all-in-one solution with add-ons (CRM, project management, accounting, plus more)
- + collaboration with Microsoft 365
- missing SME -edition
- complex compared to streamlined software

Salesforce.com

- + for enterprise customers
- excluding light version very high on price

- add-ons high on price
- complex compared to streamlined versions

Pipedrive

- + specialist on sales pipeline management
- + good option if looking only sales management tool
- only CRM and sales pipeline (no project management nor accounting features)
- no free version available

Scoro

- + all-in-one solution (CRM, project management, accounting, collaboration and more)
- + value for money for companies 10 employees ->
- + ideal for project driven business with sales and accounting functions included
- minimum 5 users

Zoho

- + all-in-one solution with Zoho Projects add-on (marketing automation, social media, workflow management etc.)
- + if basic CRM is enough it is completely free for 10 users plus 1 project
- + limited accounting features
- Zoho Projects increases the price clearly

Base CRM

- + versatile sales and marketing tool (e.g. marketing automation add-ons)
- expensive
- only CRM and sales pipeline (no project management nor accounting features)
- no free version available

Taiga.io

- + specialist on project management
- only project management (no CRM nor accounting features)

- limited support (community support)
- ? open source project

MeisterTask

- + specialist on project management with limited accounting features
- + price
- + free version with unlimited projects
- no CRM and limited accounting features

Visma Severa

- + all-in-one solution (CRM, project management, accounting, collaboration and more)
- + value for money
- + enterprise level company in financing industry
- no free version

Zervant

- + specialist on invoicing, with limited customer registry features
- + price, email invoicing will be completely free from 2018 onwards
- no project management features and very limited CRM features
- limited support

Apptivo

- + all-in-one solution (CRM, project management, accounting, collaboration and more)
- + value for money
- + free version for 3 users
- + extended support

The outcome of the analysis is presented on the next chapter and more precisely in the figure 6 (Number of features).

7.2.2. Desk research data analysis

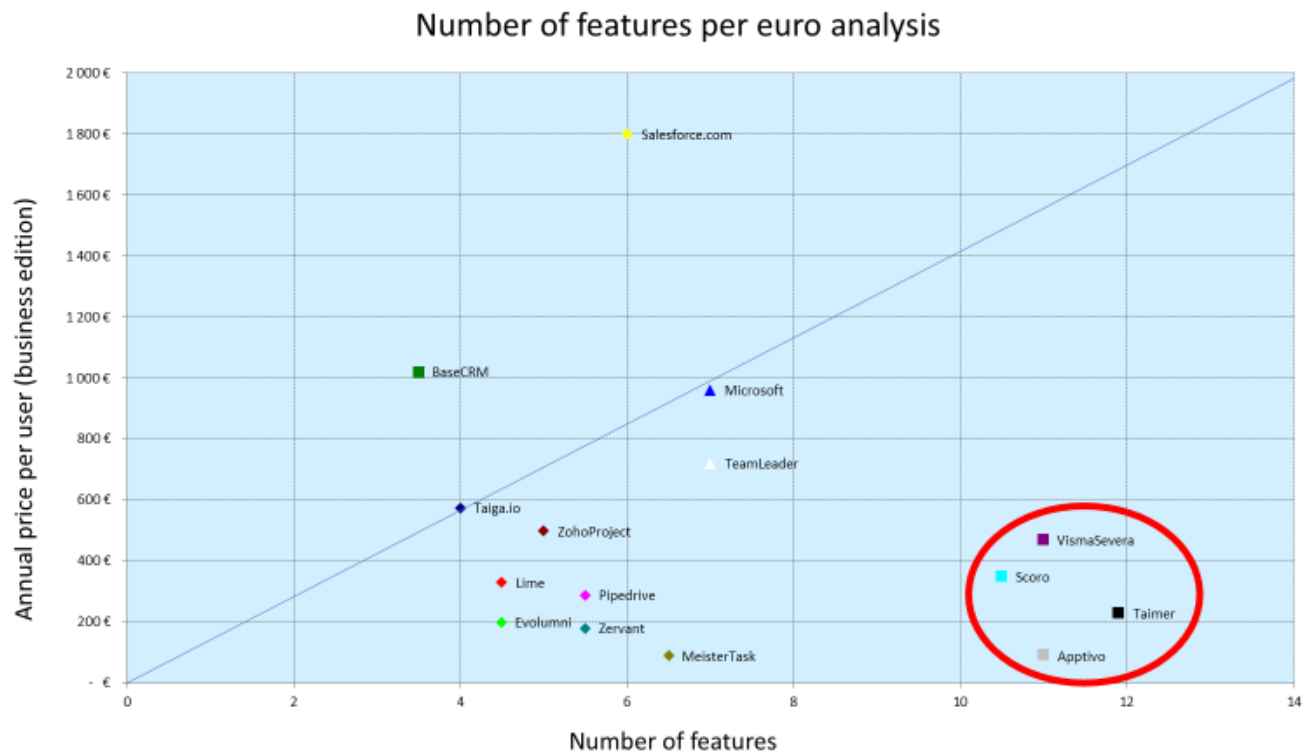


Figure 6. Number of feature per euro analysis

Data analysis indicates that four software vendors are offering clearly more value for the money, than the rest of the others, if customer is looking for all-in-one software solution. Still Apptivo and Taimer are cheaper or at least in the same level than the sole CRM software vendors, with massive amounts of extra features included.

8. DISCUSSIONS, SUGGESTIONS FOR TAIMER AND REFLECTIONS

The following chapter discuss about the results of the studies. Chapter summarizes the key conclusions and the findings of studies. It is also given some thoughts to consider for Taimer, from the pricing perspective in addition the subjects Taimer should concentrate further on are listed. In the end of the chapter, researcher summarizes the whole process by reflecting the work process and the co-operation with the Taimer.

8.1. Discussion of the results

Qualitative interviews can roughly be divided into three categories: 1) positive experience with a need for small improvements (MicroMedia and Base Catering), 2) fairly negative experience (RDKL Helsinki) and 3) neutral experience (Barabra). Sample of the research isn't sizeable, but it is enough to give a reference point.

Interviews clearly demonstrated, that the answer for the first research question (What are the most relevant features in Taimer software for existing customers?), is that customers does perceive easiness of the user experience, comprehensive support, interfaces with the accounting software and competitive pricing model. Critical attitude toward Taimer, were mainly derived from the lack of interfaces with external bookkeeping agencies and the overlapping systems, which occur for some reason or another, but are very laborious by nature.

All the three existing customers were awaiting some sort of update or upgrade, which suggests, that there really isn't one size fits all solution in the software market. Whether it is a positive or negative aspect is depending on the viewpoint. It creates pressure to maintain customer satisfaction in some cases, but on the other hand once the implementation has been made, the customer won't usually want to seek other alternatives for a while.

Desk research in general suggested the fact, that Taimer has a very competitive product, which combines CRM, project management and invoicing operations. In the markets, there are few competitors, which does have a similar concept, but many of the listed

competitors were either very expensive compared to Taimer and/or are operating only in the one chosen field of business operations.

Number of features per euro analysis separated Taimer and three other (Visma Severa, Scoro, Apptivo) software out of the total pack. These three are offering a significantly similar customer experience as Taimer. At same, the analysis answered for the second research question (Who are the most relevant competitors for Taimer in the international markets?). Research suggests, that Taimer should pay close attention for these three competitors while planning markets entries. Based on the origins of the software (Visma Severa Nordics, Scoro UK, Apptivo US) it can be estimated, that they are strong competitors at their respective home markets, but it would still be beneficial to study the subject furthermore in the future.

Researcher's general reflection from the desk research was the research perspective bias. Features Taimer wanted to track from its competitors was predominantly similar Taimer already had. This type of comparison is likely getting mostly positive results for Taimer, while the features Taimer lack wasn't in the scope. For the further studies researcher suggest to considering, what are the features and functionalities that Taimer's competitors have more than Taimer.

Number of features per euro analysis (figure 6) does also reveal the insights for the third research question (What does the competitor price point analysis reveal about the pricing models and how is Taimer positioned itself in the markets from the pricing perspective?). Taimer positions itself in the very favourable position as being one of the comprehensive all-in-one software for SME-companies, while maintains the cost-level, which is very customer friendly.

Price point analysis demonstrates, that the variance of different software can be huge. Several software vendors are offering completely free versions and some of them seem like fully functional tools for at least for the micro companies. On the other end of the spectrum there are giant software conglomerate products, which are covered with add-ons for extra charge and thus the total cost of the software can be very high. Pricing models itself seem to be somewhat similar. Every software vendor is offering three to four different versions of their software, with a list of features and with or without add-

ons for extra charge. This in turn might open opportunity for differentiate by developing a completely different pricing structure.

8.2. Suggestions for Taimer

Based on the customer's feedback and the price point analysis, researcher gives a pricing strategy suggestions for Taimer. As mentioned previously Taimer's current pricing policy is very competitive. Even though, there might be an opportunity to increase the prices and still be competitive enough, researcher does not recommend it. Instead suggestion for pricing objective is, to utilize the competitive pricing model by *maximizing market share*. That is, by taking the full advantage from home market and capture one market after another outside of the border.

Suggested pricing approach is *competition based pricing*, which means that the price should be set according to Taimer's most relevant competitors. For the moment, there isn't a radical need for adjustments, but it will need a constant monitoring, if there will be new competitors or the current one pricing models change radically. This should be rather easy strategy to adopt for Taimer, since it is still considered as a challenger in the markets and it is still rather small by its size.

When it comes to market entries outside of Finland, there is always a need for comprehensive market analysis. Researcher suggestion is to choose one market to entry and then concentrate fully on one market at the time. In a market entry, the suggestion is to utilize *geographical pricing*, e.g. "Welcome Germany campaign, first year subscription -20% for the German customers".

8.3. Reflections

The journey to the world CRM and SaaS software has been interesting and multi-dimensional. The co-operation with Taimer has been encouraging for most of the time. From the academic perspective, the scope of Taimer's objectives seems to have been

changing rapidly from one to another. It has caused some challenges for the project, e.g. some research initiatives had been canceled or restructured during the process.

Changes in the short- and mid-term plans and goals are inevitable, but suggestion based on the project is to try to stay more focused on the chosen strategy. Especially when it comes to internationalization project it should undergo the strategy work destined to find the key objectives and tasks to work and commit. During the journey, there will be obstacles, but staying on the track is beneficial in the long run.

What came to a bit surprise during the interviews was the short list of the potential interviewed companies. Researcher assumption was, that there is a vast customer base to choose the relevant respondents from the different field of business. In practice, it was some sort of challenge to cover enough sample size of respondents. This wasn't due to refusals of the customers (only one potential did refuse for the interview). The researcher hasn't had a chance to discuss openly with Taimer, had there been any significant reason for the low number of potential respondents.

Researcher itself had challenges along the way as well. Combining research, full time working and family life was demanding task especially when there had been twins added to the family. For this, some parts of the master thesis had taken longer than expected, but fortunately dialogue with Taimer has stayed positive from start to finish.

Does Taimer have a chance to grow truly international phenomenon. Short answer is, it does have. Why. A) It is very cost friendly, B) people behind the company truly knows what are the pain points of the SME-entrepreneurs and how to avoid them, C) people behind the company does have very passionate and have very ambitious dreams, D) people behind the company are willing to listen the customers and adjust rather quickly its product to meet the needs. However, as already mentioned the researcher's suggestion is to plan a bit more strategically and stay at the chosen path for a bit longer than now.

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APPENDICES

Appendix 1. Desk research survey

Software	Taimer			
Version	Starter	Team	Business	Enterprise
Price	Free FOREVER	9€ User/month (108€/User Yearly)	19€ User/ month (228€/User yearly)	29€ User/ month (348€ /User/Year)
Users	2	(No limit on NO of users)	(No limit on NO of users)	(No limit on NO of users)
CRM & Sales Management/Lead management	✓	✓	✓	✓
Project Management	✓	✓	✓	✓
Invoicing: e-invoices & normal	✓	✓	✓	✓
Project Messenger & Chat	✓	✓	✓	✓
Web, IOS & Android	✓	✓	✓	✓
Reporting & Analytics	✓	✓	✓	✓
Time Tracker	x	✓	✓	✓
Task Manager	x	✓	✓	✓
Expense Management	x	✓	✓	✓
Calendars & Integrations	x	x	✓	✓
Resource Planning	x	x	✓	✓
Billing	x	x	✓	✓
Attachments	x	x	✓	✓
Multiple companies	x	x	x	✓
Free demo, software updates and product tutorials	✓	✓	✓	✓
Support	Paid Support	✓	✓	✓
Virtual classroom training	✓ end of December	✓ end of December	✓ end of December	✓ end of December
24hrs Knowledge Base	✓	✓	✓	✓
Contacts and companies	Unlimited	Unlimited	Unlimited	Unlimited
File storage	Unlimited	Unlimited	Unlimited	Unlimited

Figure A1 Taimer features

Software	TeamLeader					
Version	Free version	Premium Version 30€/mo (360€/Year/1st 2 Users)	Invoicing+ 60€/mo (720€/Year/1st 2 Users)	Projects+ 90€/mo (1 080€/Year/1st 2 Users)	Support tickets+ 90€/mo (1 080€/Year/1st 2 Users)	All Included 180€/mo (2 160€/Year/1st 2 Users)
Price	Not available	2 (+12€/New User/Month)	2 (+12€/New User/Month)	2 (+12€/New User/Month)	2 (+12€/New User/Month)	2 (+12€/New User/Month)
Users	x	✓	✓	✓	✓	✓
CRM & Sales Management/Lead management	x	✓	✓	✓	✓	✓
Project Management	x	x	x	✓	x	✓
Invoicing: e-invoices & normal	x	x	✓	x	x	✓
Project Messenger & Chat	x	x	x	x	x	x
Web, IOS & Android	x	✓	✓	✓	✓	✓
Reporting & Analytics	x	✓	✓	✓	✓	✓
Time Tracker	x	✓	✓	✓	✓	✓
Task Manager	x	x	x	x	x	x
Expense Management	x	x	x	x	x	x
Calendars & Integrations	x	✓	✓	✓	✓	✓
Resource Planning	x	x	x	x	x	x
Billing	x	x	x	x	x	x
Attachments	x	x	x	x	x	x
Multiple companies	x	x	x	x	x	x
Free demo, software updates and product tutorials	x	✓	✓	✓	✓	✓
Support	x	x	x	x	✓	✓
Virtual classroom training	x	✓	✓	✓	✓	✓
24hrs Knowledge Base	x	✓	✓	✓	✓	✓
Contacts and companies	x	Up to 10 000	Up to 10 000	Up to 10 000	Up to 10 000	Up to 10 000
File storage	x	35 GB file storage	35 GB file storage	35 GB file storage	35 GB file storage	35 GB file storage

Figure A2 Teamleader features

Software	Lime		
Version	Easy	Go	Tailored
Price	20€/mo	27,5€/mo	From 35€/mo
Users			
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	✓	✓	✓
Invoicing: e-invoices & normal	x	x	x
Project Messenger & Chat	x	x	x
Web, IOS & Android	x	✓	✓
Reporting & Analytics	x	x	x
Time Tracker	x	x	x
Task Manager	x	✓	✓
Expense Management	x	x	x
Calendars & Integrations	✓	✓	✓
Resource Planning	x	x	x
Billing	x	x	x
Attachments	x	x	x
Multiple companies	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓
Support	✓	✓	✓
Virtual classroom training	x	x	x
24hrs Knowledge Base	FAQ	FAQ	FAQ/Wiki
Contacts and companies			
File storage	?	?	?

Figure A3 Lime CRM features

Software	Evolumi		
Version	Free	Plus	Premium
Price	0€	20€/mo (200€/year)	Custom
Users			
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	x	x	x
Invoicing: e-invoices & normal	x	x	x
Project Messenger & Chat	✓	✓	✓
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	limited	✓	✓
Time Tracker	x	x	x
Task Manager	✓	✓	✓
Expense Management	x	x	x
Calendars & Integrations	✓	✓	✓
Resource Planning	x	x	x
Billing	x	x	x
Attachments	✓	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	x	x	x
Support	Ticket	Ticket	Ticket
Virtual classroom training	x	x	x
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	1Gb/org.	5Gb/user	Custom

Figure A4 Evolumi features

Software	MS Dynamics 365 Enterprise Edition		
	Team Member	Sales	Customer Engagement Plan
Version	8,4€/mo (requires at least one full licence)		
Price		80€/mo	97€/mo
Users			
CRM & Sales Management/Lead management	limited	✓	✓
Project Management	x	x	✓
Invoicing: e-invoices & normal	x	✓	✓
Project Messenger & Chat	✓	✓	✓
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	✓	✓	✓
Time Tracker	x	x	✓
Task Manager	✓	✓	✓
Expense Management	x	x	✓
Calendars & Integrations	✓	✓	✓
Resource Planning	x	x	✓
Billing	x	x	x
Attachments	✓	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	x	x	x
Support	✓	✓	✓
Virtual classroom training	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	x	?	10Gb

Figure A5 MS Dynamics 365 Enterprise Edition features

Software	Salesforce			
	Lightning Essentials	Lightning Professional	Lightning Enterprise	Unlimited CRM and support
Version		75€/mo (billed annually),	150€/mo (billed annually),	
Price	25€/mo (billed annually)	+75€/mo CPQ+ /	+75€/mo CPQ+ /	300€/mo (billed annually)
Users	Max 5 users			
CRM & Sales Management/Lead management	limited	✓	✓	✓
Project Management	x	x	x	x
Invoicing: e-invoices & normal	x	CPQ+	CPQ+	CPQ+
Project Messenger & Chat	x	✓	✓	✓
Web, IOS & Android	✓	✓	✓	✓
Reporting & Analytics	x	✓	✓	✓
Time Tracker	x	x	x	x
Task Manager	x	✓	✓	✓
Expense Management	x	CPQ+	CPQ+	CPQ+
Calendars & Integrations	x	✓	✓	✓
Resource Planning	x	x	x	x
Billing	x	CPQ+ w/billing	CPQ+/billing	CPQ+/billing
Attachments	✓	✓	✓	✓
Multiple companies	x	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓	✓
Support	x	x	x	✓
Virtual classroom training	extra cost	extra cost	extra cost	✓
24hrs Knowledge Base	✓	✓	✓	✓
Contacts and companies				
File storage	11Gb shared	11Gb shared +612Mb per user	11Gb shared +2Gb per user	11Gb shared +2Gb per user

Figure A6 Salesforce.com features

Software	Pipedrive		
Version	Silver	Gold	Platinum
Price	12€/mo (120€/year)	29€/mo (288€/year)	49€/mo (756€/year)
Users			
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	x	x	x
Invoicing: e-invoices & normal	x	x	x
Project Messenger & Chat	x	x	x
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	✓	✓	✓
Time Tracker	x	x	x
Task Manager	✓	✓	✓
Expense Management	x	x	x
Calendars & Integrations	✓	✓	✓
Resource Planning	x	x	x
Billing	x	x	x
Attachments	x	✓	✓
Multiple companies	✓	✓	✓
Free demo, software updates and product tutorials	✓	✓	✓
Support	chat/ticket	chat/ticket	chat/ticket
Virtual classroom training	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	2Gb	5Gb	100Gb

Figure A7 Pipedrive features

Software	Scoro		
Version	Plus	Premium	Ultimate
Price	19€/mo	29€/mo	49€/mo
Users	Minimum 5 users	Minimum 5 users	Minimum 5 users
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	limited	✓	✓
Invoicing: e-invoices & normal	limited	✓	✓
Project Messenger & Chat	x	x	x
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	limited	✓	✓
Time Tracker	✓	✓	✓
Task Manager	limited	✓	✓
Expense Management	✓	✓	✓
Calendars & Integrations	✓	✓	✓
Resource Planning	x	limited	✓
Billing	x	✓	✓
Attachments	✓	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓
Support	✓	✓	✓
Virtual classroom training	extra cost	extra cost	extra cost
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	2Gb	3Gb	5Gb

Figure A8 Scoro features

Software	Zoho				
Version	Free	Standard	Professional	Enterprise	Ultimate
		12€/mo (billed annually), +25€/mo 20 projects	20€/mo (billed annually), +25€/mo 20 projects	35€/mo (billed annually), +25€/mo 20 projects	100€/mo (billed annually), +25€/mo 20 projects
Price	0 €				
Users	10 Free users				
CRM & Sales Management/Lead management	✓	✓	✓	✓	✓
Project Management	limited	limited	limited	limited	limited
Invoicing: e-invoices & normal	x	x	x	✓	✓
Project Messenger & Chat	✓	✓	✓	✓	✓
Web, IOS & Android	✓	✓	✓	✓	✓
Reporting & Analytics	✓	✓	Advanced	Advanced	Advanced
Time Tracker	limited	limited	limited	limited	limited
Task Manager	✓	✓	✓	✓	✓
Expense Management	x	x	x	x	x
Calendars & Integrations	x	✓	✓	✓	✓
Resource Planning	limited	limited	limited	limited	limited
Billing	x	x	x	x	x
Attachments	✓	✓	✓	✓	✓
Multiple companies	x	x	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓	✓	✓
Support	ticket	ticket	ticket	ticket	ticket
Virtual classroom training	✓	✓	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓	✓	✓
Contacts and companies					
File storage	1Gb shared	1Gb shared / 512Mb user	1Gb shared / 512Mb user	1 Gb shared / 1Gb user	1 Gb shared / 1Gb user

Figure A9 Zoho features

Software	BaseCRM		
Version	Starter	Professional	Enterprise
	40€/mo (billed annually), +22€/mo	85€/mo (billed annually), +22€/mo	125€/mo (billed annually), +22€/mo
Price			
Users			
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	x	x	x
Invoicing: e-invoices & normal	x	x	x
Project Messenger & Chat	x	x	x
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	w/connect standard add-on	w/connect standard add-on	w/connect standard add-on
Time Tracker	x	x	x
Task Manager	limited	✓	✓
Expense Management	x	x	x
Calendars & Integrations	x	x	x
Resource Planning	x	x	x
Billing	x	x	x
Attachments	✓	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓
Support	Ticket	Ticket	Ticket
Virtual classroom training	extra cost	extra cost	extra cost
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	?	?	?

Figure A10 Base CRM features

Software	Taiga.io					
Version	Public	Seed	Sprout	Root	Leaf	Tree
Price	0€	0€	17€/mo (165€/year)	25€/mo (240€/year)	60€/mo (575€/year)	85€/mo (815€/year)
Users	Unlimited public projects	1 private project	5 projects	10 projects	20 projects	50 projects
CRM & Sales Management/Lead management	x	x	x	x	x	x
Project Management	✓	✓	✓	✓	✓	✓
Invoicing: e-invoices & normal	x	x	x	x	x	x
Project Messenger & Chat	✓	✓	✓	✓	✓	✓
Web, IOS & Android	✓	✓	✓	✓	✓	✓
Reporting & Analytics	x	x	x	x	x	x
Time Tracker	✓	✓	✓	✓	✓	✓
Task Manager	✓	✓	✓	✓	✓	✓
Expense Management	x	x	x	x	x	x
Calendars & Integrations	x	x	x	x	x	x
Resource Planning	✓	✓	✓	✓	✓	✓
Billing	x	x	x	x	x	x
Attachments	x	x	x	x	x	x
Multiple companies	x	x	x	x	x	x
Free demo, software updates and product tutorials	✓	✓	x	x	x	x
Support	x	x	x	x	x	x
Virtual classroom training	x	x	x	x	x	x
24hrs Knowledge Base	✓	✓	✓	✓	✓	✓
Contacts and companies						
File storage	?	?	?	?	?	?

Figure A11 Taiga.io features

Software	MeisterTask		
Version	Basic	Pro	Business
Price	0€	7,5€/mo (billed annually)	TBC
Users	unlimited projects	unlimited projects	unlimited projects
CRM & Sales Management/Lead management	x	x	x
Project Management	✓	✓	Advanced
Invoicing: e-invoices & normal	x	x	x
Project Messenger & Chat	x	✓	✓
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	limited	✓	Advanced
Time Tracker	✓	✓	✓
Task Manager	✓	✓	✓
Expense Management	x	x	x
Calendars & Integrations	✓	✓	✓
Resource Planning	x	✓	✓
Billing	✓	✓	✓
Attachments	x	x	x
Multiple companies	x	x	x
Free demo, software updates and product tutorials	tutorial videos	tutorial videos	tutorial videos
Support	Tickets	Tickets	Tickets
Virtual classroom training	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	?	?	?

Figure A12 MeisterTask features

Software	Visma Severa		
Version	Basic	Premium	Enterprise
Price	25€/mo	39€/mo	59€/mo
Users			
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	✓	✓	✓
Invoicing: e-invoices & normal	✓	✓	Advanced
Project Messenger & Chat	x	✓	✓
Web, IOS & Android	✓	✓	✓
Reporting & Analytics	limited	✓	✓
Time Tracker	limited	✓	✓
Task Manager	limited	✓	✓
Expense Management	x	✓	✓
Calendars & Integrations	✓	✓	✓
Resource Planning	x	✓	✓
Billing	x	x	x
Attachments	✓	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓
Support	✓	✓	✓
Virtual classroom training	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓
Contacts and companies			
File storage	5Gb	10Gb	20Gb

Figure A13 Visme Severa features

Software	Zervant (Pricing model will change 2018. In the future email invoicing will be free but there will be chargeable additional features.)				
Version	Ilmainen (Free)	Mini	Pro	Tiimi (Team)	Rajoittamaton (Unlimited)
Price	0€	7€/mo	15€/mo	35/mo	75€/mo
Users	1	1	1	2-5	unlimited
CRM & Sales Management/Lead management	✓	✓	✓	✓	✓
Project Management				x	
Invoicing: e-invoices & normal	x	limited	✓	✓	✓
Project Messenger & Chat	x	x	x	x	x
Web, IOS & Android	x	x	x	x	x
Reporting & Analytics	✓	✓	✓	✓	✓
Time Tracker	x	x	x	x	x
Task Manager	x	x	x	x	x
Expense Management	x	x	x	x	x
Calendars & Integrations	x	x	x	x	x
Resource Planning	x	x	x	x	x
Billing	x	limited	✓	✓	✓
Attachments	x	x	x	x	x
Multiple companies	x	x	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓	✓	✓
Support	Ticket	Ticket	Ticket	Ticket	Ticket
Virtual classroom training	x	x	x	x	x
24hrs Knowledge Base	✓	✓	✓	✓	✓
Contacts and companies					
File storage	?	?	?	?	?

Figure A14 Zervant features

Software	Apptivo		
Version	Starter	Premium	Ultimate
Price	0€	7,5€/mo (billed annually)	18,5€/mo (billed annually)
Users	3	per user	per user
CRM & Sales Management/Lead management	✓	✓	✓
Project Management	✓	✓	✓
Invoicing: e-invoices & normal	✓	✓	✓
Project Messenger & Chat	x	x	x
Web, IOS & Android	x	✓	✓
Reporting & Analytics	✓	✓	Advanced
Time Tracker	✓	✓	✓
Task Manager	✓	✓	✓
Expense Management	x	✓	✓
Calendars & Integrations	x	✓	✓
Resource Planning	x	x	x
Billing	x	✓	✓
Attachments	x	✓	✓
Multiple companies	x	x	x
Free demo, software updates and product tutorials	✓	✓	✓
Support	✓	✓	✓
Virtual classroom training	✓	✓	✓
24hrs Knowledge Base	✓	✓	✓
Contacts and companies	unlimited	unlimited	unlimited
File storage	500Mb	3Gb	10Gb

Figure A15 Apptivo features

Appendix 2. Exploratory interview questionnaire

The language used in in-depth interviews was Finnish, thus the questionnaire below is also in Finnish.

1. Lämmittelykysymys - Mitä yrityksen liiketoimintaan kuuluu?
2. Mitkä ovat yrityksen ydinprosessit?
3. Minkälaisessa roolissa ohjelmistot/appsit ovat yrityksen liiketoiminnassa?
4. Voitko vielä nimetä yrityksen kaikkien oleelliset sovellukset?
5. Missä roolissa Taimerin sovellukset ovat yrityksenne käytössä?

CRM ja myynnin hallinta

6. Kuinka tyytyväisiä olette olleet Taimeriin CRM:n ja myyntiputken hallinnan työkaluna?
7. Koetteko, että kaikki relevantti asiakastieto löytyy Taimerista ja että se on päätelaite riippumattomasti käytettävissä?
8. Miten laajasti Taimerin myynnin hallinta järjestelmän ominaisuudet ovat yrityksenne käytössä?
9. Onko yrityksellä käytössä erillistä sales pipeline ohjelmaa?
10. Vastaako Taimerin sales pipeline toiminallisuudet yrityksenne tarpeita?

Projektinhallinta ja työajanseuranta

11. Käytättekö Taimeria projektinhallintaan ja työajanseurantaan vai jotain muuta ratkaisua?
12. Miten tyytyväisiä olette olleet Taimeriin projektinhallinta ja työajanseurannan osalta?
13. Käytättekö Taimeria mobiililaitteilta?

Taloushallinto

14. Miten yrityksenne on hoitanut laskutuksen?
15. Täyttääkö nykyinen malli yrityksenne tarpeet vai onko toiveissa tehokkaampi vaihtoehto?
16. Onko yrityksellä käytössä reaaliaikaista seuranta projektitoille, projektilaskutukselle, työajanseurannalle?
17. Onko yrityksellä käytössä e-laskutus?

Kommunikointi/Kollaboraatio

- 18. Miten hyvin projektien sisäinen kommunikaatioprosessi yrityksellänne toimii?
- 19. Miten projektien ulkoinen viestintä on yrityksessänne hoidettu?

Yhteenveto

- 20. Asteikolla 1-10 miten hyvin käytössä olevat ohjelmistot/appsit tukevat yrityksenne liiketoimintaa?
- 21. Mitä pitäisi yrityksenne ohjelmistoissa muuttua, jotta arvosana kipuaisi kiitettäväksi?
- 22. Asteikolla 1-10 minkälaisen arvosanan antaisit Taimerille kokonaisuutena (softa sekä asiakkuuden hoito)?
- 23. Onko mitään muita terveisiä tai palautetta Taimerille vai tuliko aikaisemmissa kysymyksissä esille jo kaikki oleellinen Taimerista?